

Message Text

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ACTION EB-11

INFO OCT-01 EA-11 ISO-00 AID-20 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 NSC-07 SS-20 STR-08

CEA-02 L-03 H-03 INT-08 GSA-02 TAR-02 AGR-20 SWF-02

FEA-02 DRC-01 /168 W

----- 053743

R 221017Z MAR 74

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC 1418

UNCLAS JAKARTA 3572

E.O. 11652: N/A

TAGS: ETRD, ID

SUBJ: INDONESIAN EXPORT CONTROLS

REF: A) STATE 022871 B) JAKARTA 1927 C) JAKARTA 2300

SUMMARY: THIS MESSAGE TRANSMITS SUCH SPECIFIC INFORMATION SOUGHT BY DEPARTMENT IN REF A AS WE HAVE BEEN ABLE TO OBTAIN. END SUMMARY.

1. FURTHER INVESTIGATION DISCLOSES FOLLOWING REFINEMENTS APPLICABLE TO EXPORT RESTRICTIONS REPORTED REF B:

A. METALLIC SILVER IN EXCESS OF DOMESTIC REQUIREMENTS(AS DETERMINED BY MINISTERS TRADE AND INDUSTRY) MAY BE EXPORTED PROVIDED EXPORT PRICE IS 12.5 PER KINT HIGHER THAN DOMESTIC PRICE AS SET BY STATE MINING COMPANY ANEKA TAMBANG. (A SMALL AMOUNT WENT TO JAPAN IN 1973.)

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B. MINISTER OF TRADE EMPOWERED TO AUTHORIZE

EXCEPTIONS TO BAN ON EXPORTS OF CINCHONA BARK, COPPER
AND COPPER SCRAP, AND FERROUS SCRAP.

C. CURRENT BAN ON FERROUS SCRAP EXPORTS DATES FROM
31 JANUARY 1974 (REF C).

D. NOTE ADDITIONAL BAN ON EXPORT OF RAW HIDES BY
NON-PRODUCING TRADERS IN JAVA AS FOLLOWS:

- 1) CATTLE HIDES: CURRENT REGULATION EFFECTIVE
1 JAN 1974; RESTRICTION INTRODUCED BY REGULATION
EFFECTIVE 1 APRIL 1973.
- 2) GOAT- AND SHEEPSKINS: PROHIBITED WITH
EFFECT 1 JULY 1973.

E. EXPORTS OF CORN AND CASSAVA BANNED 4 JULY 1973;
BAN ON CASSAVA LIFTED 7 NOV; BAN ON CORN FROM NORTH
SUMATRA AND ON ALL CORN UNSUITABLE FOR HUMAN CONSUMP-
TION LIFTED 12 DECEMBER.

F. TEMPORARY BAN ON COPRA AND COCONUT OIL EXPORTS
INSTITUTED JUNE 1973 WAS EXTENDED IN DECEMBER THROUGH
MARCH 1974.

2. INFORMATION RECEIVED FROM TRADE MINISTRY AND OTHER
SOURCES LEAVES UNCONFIRMED CURRENT STATUS OF RESTRICTIONS
ON EXPORTS OF RICE, WHEAT AND WHEAT PRODUCTS, BULGUR,
ADN SUGAR REPORTED TO US BY STATE DISTRIBUTION AGENCY BULOG.
TRADE MINISTRY SOURCES ALSO UNHELPFUL REGARDING PROHIBITION OF
EXPORT COTTON AND COTTON PRODUCTS PURSUANT AGREEMENT
GOVERNING OUR CURRENT PL-480 PROGRAM.

3. GOI FORMALLY BANS EXPORTS TO SOUTH AFRICA,
ANGOLA, RHODESIA. WE HAVE CONFLICTING REPORTS FROM
OFFICES WITHIN THE TRADE MINISTRY INDICATING THERE MAY
ALSO BE PROHIBITIONS IN EFFECT AGAINST EXPORTS TO
ISRAEL AND MAINLAND CHINA.

4. THERE IS A TEN PER CENT TAX ON EXPORTS WITH
FOLLOWING EXCEPTIONS:
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- A) TAX ON COPRA IS FIVE PER CENT.
- B. FOLLOWING ARE EXEMPTED ENTIRELY:
 - 1) HANDICRAFTS.
 - 2) FINISHED INDUSTRIAL GOODS.
 - 3) "OTHER": FROZEN FROGS'LEGS AND SEA FOOD,
SHELLED AND DRIED PEANUTS, FRUITS AND VEGETABLES,
ORNAMENTAL FISHES, STUFFED ANIMALS, MEDICAL

HERB ORTOSIPHON GRANDIFLORA, PLANT UNCARIA

USED IN TANNING, CHARCOAL.

ADDITIONALLY, FOLLOWING CROPS SUBJECT TO CESS LEVIES:

RUBBER, COCONUT, COFFEE, NUTMEG, PATCHOULI, CASSIA VERA,
PEPPER, KAPOK, CLOVE, CITRONELLA, TEA, TOBACCO, CATTLE,
CATTLE HIDES.

5. TRADE MINISTRY SOURCES UNABLE TO VERIFY STATEMENT
IN MOST RECENT IMF REPORT ON TRADE RESTRICTIONS THAT
INDONESIA PROHIBITS EXPORT "CERTAIN LOGS AND TIMBER."
HOWEVER, WE UNDERSTAND EXPORT RESTRICTIONS MAY PLAY A
PART IN "PROTECTED SPECIES" REGULATIONS ADMINISTERED
BY OTHER AUTHORITIES (E.G., FORESTRY, ANIMAL HUSBANDRY).
IN BELIEF THIS INFORMATION MARGINAL TO DEPARTMENT'S
STUDY DO NOT INTEND RESEARCH QUESTION FURTHER IN
ABSENCE SPECIFIC REQUEST.

6. TRADE MINISTRY OFFICIALS REPORT NO BARTER AGREE-
MENTS IN EFFECT AND BELIEVE IT IS UNLIKELY ANY WILL BE
SOUGHT OR ACCEPTED (AT LEAST ON OFFICIAL LEVEL;
EMBASSY CONSIDERS IT NOT IMPOSSIBLE STATE OIL MONOPOLY
PERTAMINA, FOR EXAMPLE, MIGHT ARRANGE SOME FORM OF
AGREEMENT INVOLVING BARTER IN ORDER TO OBTAIN
STEEL IMPORTS REQUIRED IN OIL INDUSTRY).

7. REGRET DELAY IN RESPONDING REF A, WHICH ENTAILED
CONSIDERABLE RESEARCH OWING TO UNAVAILABILITY OF
INFORMATION AT TRADE MINISTRY.

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